

Robert Duffy Mayoral Transition Housing and Neighborhoods Transition Sub-committee Draft Report December, 2005

Overview

The Housing and Neighborhoods Subcommittee is comprised of approximately 35 individuals representing for-profit development companies, not-for-profit housing assistance organizations, neighborhood associations, Community Development Corporations, advocacy groups, and others with expertise in housing and neighborhood issues. To accomplish their task for the transition, the subcommittee formed three workgroups: 1) Comprehensive Planning, co-chaired by Alma Balonon-Rosen and Jim Costanza; 2) Quality of Life, co-chaired by Joan Roby Davison and Mitchell Stern; and 3) Urban Village Development, co-chaired by Dan Buyer, Dana Miller, and Josanne Reaves. Since all of these topics are interrelated, there were some issues that were tackled in some form by all three, and all three made significant contributions to this report. The recommendations of all three subcommittees have been integrated in this document. In a few instances, more than one workgroup made recommendations around a similar problem. To the extent possible, these recommendations have been blended together. However, if two workgroups took different approaches to the same problem, we have included both approaches, to underscore the fact that there are certain problems viewed as critical to most members of the subcommittee, and to offer the new Administration more than one potential approach to addressing those problems.

The members of the subcommittee also recognized from the beginning that Housing and Neighborhood issues are inextricably linked to topics that fall under the purview of other subcommittees, in particular Public Safety, Economic Development, and Education. Rochester's neighborhoods will not thrive if those living there do not feel safe on the streets and cannot earn a living, or provide their children with a good education. Public health issues, including lead poisoning and healthy homes, among others, are also an important element of housing and neighborhood policies. Mayor Duffy's *Impact Rochester* position paper clearly recognizes the interrelationship between these issues, and the Housing and Neighborhoods subcommittee urges that they continue to be addressed together.

A. Housing Policy

Problem Statement A1

There is a serious need for a new and comprehensive Rochester Housing Plan.

The City of Rochester has a broad continuum of housing goals: to provide safe, decent, affordable, accessible housing to individuals and families; to provide and expand sustainable homeownership and rental opportunities; to stimulate housing production and to ensure that existing Rochester homeowners have access to resources to continue to be successful homeowners. Housing policy must be designed to make Rochester an attractive housing choice, deconcentrate poverty, address changing population demographics, foster a diverse economic mix, be informed by neighborhood residents and

contribute to the City's tax base. Key stakeholders must be brought together to design a strategy to invest housing resources to build on the realities of the local market.

First 100 days:

- Commission a market study that looks at demand for all housing types downtown and in the neighborhoods. The market study should consider the demand for and access to homeownership and rental units for affordable, market-rate, luxury housing along with new construction and existing homes. Neighborhood-specific markets, accessible housing and mixed-income development must also be addressed. The market study should inform the development of a City Housing policy, and define limitations of a weak market city with regard to saturation and potential negative consequences.
- Develop and begin to implement a process to update the City's housing policy for both rental and homeownership and develop a housing plan based on market information. The plan should include the following:
 - Stakeholders, including County representation, craft and articulate a shared vision for the goals of the City's new housing policy
 - Assess the current, decade-old housing system for successes, weaknesses and lessons learned
 - Inventory what monetary resources, programs, community capacity and human capital are available. (*See attached document on Portland, Oregon's resource mapping experience.*)
 - Develop a list of potential incentives including cost benefit analysis for implementing City housing policies.
 - Consideration to ensure that current residents benefit from housing plan
- Consider creation of a Neighborhood Housing Trust Fund, funded through new sources of revenue, to invest in neighborhoods throughout Monroe County. The resources would be invested in projects that promote healthy neighborhoods. (*See attached statement on Neighborhood Housing Trust Fund*).
- Develop a system for defining what a project should accomplish and how success will be measured—standardize and require cost/benefit analysis
- Investigate the community land trust model as an ownership means for affordable housing

First Year:

- Complete market Study, Housing Policy and Housing Plan.
- Incorporate City stated housing goals into Rochester by the Numbers program for monitoring and evaluation purposes.
- Complete review of existing programs to ensure they complement new housing policy and plan goals.
- Consider some options for tax incentives to assist new homebuyers and developers, as well as policies to encourage existing homeowners and renters to remain in the City.

Four Years:

- Update Market Analysis
- Release evaluation report of housing plan, policies, and programs.

Problem Statement A2

There is a need to build a positive investment climate in the City for all developers. Potential developers must feel welcome in their interaction with the City, both in-person and on the web. There should be strong encouragement for both profit and non-for profit developers to view the City as a desired location for their potential projects. The zoning and permitting process must be clear, transparent, efficient and user-friendly. Employees working with economic and community development need to understand the entire process and be able to simplify the process. The departments need a clear understanding of codes and zoning issues along with the master plan for City development. There is a need for clarity about which services are available at the NET offices and at City Hall.

First 100 days:

- Establish a One Stop Development Center with ombudsman to coordinate all permitting and processing and provide builders with a single point of contact to streamline the approval process. This office will be a point of contact for economic incentives, permitting, zoning and inspections.
- Establish a cooperative pre-development meeting process involving all agencies to resolve all development issues at one time.
- Consider development of a unified organizational structure between the Department of Community Development and the Economic Development Department under the authority of a common command or “czar”.
- Put comprehensive information on-line about what permits are needed for specific projects and what paperwork will be needed to get the permit
- Make available a chart of the City’s development process
- Determine skill sets and training needs of City employees to ensure a clear understanding of codes, zoning issues and City of Rochester master plan.
- Integrate neighborhood-based economic development and housing development policies
- Establish opportunities for gathering developer, stakeholder and resident input on development

First Year:

- Completion of formal linkage between the Department of Community Development and the Economic Development Department, possibly a unified organizational structure under the authority of a common command.
- Create electronic permitting option.
- Package pre-approve economic incentives with RFP’s that may include, but is not limited to, Renewal Community Allocations, CUE tax incentives, Empire Zone incentives, COMIDA incentives, and others.

4 Years:

- Ongoing review of new structures and procedures using Rochester by the Numbers and including customer satisfaction information.

Problem Statement A3

Rochester needs to be marketed more competitively. A marketing strategy for housing must be developed.

First year:

- Develop a program to market the city, ascertain what programs are necessary to assist areas where landlords are struggling due to soft rental markets and determine if tax abatement programs such as promoting down town living are cannibalizing other neighborhoods
- Marketing program must adhere to:
 - market analysis/assessment, and solid market research data
 - Professionally developed and implemented marketing plan that:
 - Markets Houses
 - Markets the City
 - Markets the City as the key to a vital region
- Completion of marketing strategy that encompasses regional and non-regional markets.
- Coordinate a marketing effort for housing, both affordable and market rate that encompasses regional and non-regional markets, within the first 100 days with City role clearly defined.
- Website registry of all units launched and available to the public.

Four Years:

- Review effectiveness of marketing strategy, reprioritize if needed.

Problem Statement A4

There is a need to strengthen and improve the relationship between the City and housing related agencies. Communication with stakeholders regarding housing and neighborhood development needs to occur on a regular basis. Emphasis should be placed on the relationship between the City and the Rochester Housing Authority (RHA). RHA is the largest city landlord with a housing stock of 2400 units. It also administers over 8000 Section 8 certificates a small number of which can be project based. In general, RHA has not been represented in the City's Revitalization Initiatives.

First 100 Days:

- Strengthen the relationship between City Hall and the RHA to explore appropriate programs and partnerships. Work with RHA to develop a plan that coordinates their activities with the City's overall housing policy.
- Create a standardized system to collect and share information and feedback on housing related issues from groups such as the financial services industry, realtors, community development practitioners, neighborhood organizations, landlord and tenant organizations, churches on issues related to rental housing, homeownership, homebuyer support services, disability rights.
- Review the existing process used by City Hall to connect with neighborhood and community planning efforts (e.g. Rochester Children's Zone, Marketview Heights planning process)

First Year:

- Foster coordination between the RHA and the City's housing policies. Begin to view RHA housing as a cornerstone of Rochester's housing activities.
- Incorporate the new system to collect and share information on housing issues into the Rochester by the Numbers system.

Four Years:

- Evaluate the relationship between the City and RHA on an ongoing basis.
- Continue to work with the Homebuilders Association to promote the continuance of CityScape.

B. Nurturing and Strengthening Neighborhoods

Problem Statement B1

At the present time, no system is in place to identify or measure neighborhood health, vitality or viability. While a great deal of data may be available, consensus needs to be gained on four or five indicators that will be used by City Staff, neighborhood organizations and funders to continue neighborhood planning, resource allocation and revitalization or stabilization activities.

First 100 days:

- Research and form a list of indicators used in other communities (e.g. Baltimore); develop a short list of indicators that will work across all neighborhoods.
- Meet with neighborhood leaders to validate these indicators, gain consensus and to prioritize them. Engage neighborhood residents as well.
- Link neighborhood indicators with other city data, including NET, zoning, DES, and other departments as required, as part of Rochester by the Numbers.

First year:

- Develop and implement a system to link indicators with city resource allocation, across all departments where possible. Map indicators where feasible, and make maps available to neighborhood groups, community based organizations, real estate developers and other partners.
- Using indicators, partner with neighborhoods/neighborhood agencies/CDCs to submit additional funding applications to further support neighborhood revitalization.
- Develop multi-year funding stream for neighborhood revitalization, including housing, economic development and support programs.

Problem Statement B2

(Most of the recommendations in this section were put forth by the workgroup on Urban Village Development. They include some specific plans for the implementation of a system of urban village communities throughout the City, including methods for neighborhood representation. Pages 9-10 of this report have some recommendations for the restructuring of the current Neighbors Building Neighborhoods system that came from the Quality of Life Workgroup. We have included both sets of

recommendations in this report to underscore the importance of true neighborhood representation and involvement, and to provide the Administration with two different approaches to a similar issue.)

The current City administrative structure is ineffective in empowering residents to engage in comprehensive neighborhood based planning. We recommend that an Office of Neighborhood Resources be established to plan for, implement, and monitor a network of communities and urban villages in Rochester.

First 100 Days:

- Consider the creation of an Office of Neighborhood Resources to replace the current Bureau of Neighborhood Initiatives. This office would coordinate City and community planning efforts to plan, implement and monitor strategies to revitalize and maintain vital neighborhoods, neighborhood commercial districts, communities and urban villages. It will establish citizen led planning councils and will serve as a one-stop shop for neighborhood leaders.
- Consider establishing leadership for this office at the director or commissioner level.
- Connect City staff and Departments by placing responsibility for NET and neighborhood planning in this new office. The Office of Neighborhood Resources as envisioned would supervise NET and neighborhood planning, and include staff from housing (DCD), urban planning (DCD), commercial development (EDD), Engineering (DES), and Parks.

First Year:

- Replace the current sectors with 10-15 urban villages/communities centered around neighborhood commercial hubs. Bring residents and community groups together to establish boundaries based on common needs, assets and identity. Each community/urban village should have: at least one commercial district; at least 5,000 residents; no more than 20,000 residents.

Four Years:

- Establish a planning council in each urban village/community. Each planning council must include representation from each active neighborhood association, business association and tenant association as well as any Community Development Corporation (CDC) serving the community. City staff, as well as staff from CDCs and other City vendors, may not serve as officers on these councils.
- Office staff will provide the tools and resources to help each community/urban village establish its own plan with its own vision. These plans will guide the allocation of City resources and incentives, and will be utilized to evaluate the impact of major projects. The plans should include:
 - A neighborhood plan and vision statement outlining the major themes, assets, and desired identity for the future of the community
 - Market data outlining desired businesses and services, and housing needs.
 - A strategic plan outlining desired outputs and outcomes necessary to achieve the vision.
- Replace the existing web of CDC contracts for housing services, CHDO, commercial development, etc. with more flexible Unified Service Agreements administered by the Office of Neighborhood Resources. Assist each planning council in creating their own “Request for Proposals” to bid out the desired outputs and outcomes in their plans to CDCs and other

service providers. Proposals should address outputs and outcomes in urban village/community plans as well as City-wide priorities. Proposals will be reviewed by the Planning Councils, City Staff, the Mayor's Office and City Council based on consistency with appropriate urban village/community plans, and the city-wide plans for housing and community development.

- Establish a Steering Committee of public and private sector representatives to evaluate progress by Office Staff, CDCs and Service Providers in achieving outcomes in the Urban Village/Community Plans and in applicable Citywide plans; bring together Planning Councils, CDCs and other service providers to promote best practices and build capacity. Suggested Citywide indicators could include:
 - Commercial and Residential Property Conditions (see attached property survey)
 - Commercial and Residential Vacancy Rates
 - Property Values
 - Private Investment (Measured through the estimated value of Building Permits Issued)
 - Homeownership Rate
 - New Business Start-ups that are consistent with Urban Village/Community Plans
 - Reported Crime
 - Other Outcomes listed in the Urban Village/Community Plans
 - Other Outcomes listed in the City's new Comprehensive Housing Policy

Problem Statement B3

(All three workgroups expressed serious concerns about the effectiveness of the current NET system, and provided recommendations. They have been integrated in this section.)

In order to pro-actively address many chronic quality of life issues, NET was created in 1996, and the first office opened in 1997. Originally intended to function as “mini City Hall” offices, accessible in various neighborhoods, they quickly became overwhelmed and services available were scaled back to the inspection, enforcement and crime prevention tasks. Uneven implementation, varying levels of integrated services with neighborhoods and City departments has led to frustration, unclear expectations and difficulty in measuring the impact and success or failure of NET. The mission of NET is unclear, and activities rather than outcomes have been established as the measures of success.

First 100 days:

- Thorough review of NET Evaluation (draft completed by CGR, December 2005), with recommendations to be considered by incoming administration and designated NET Director.
- Clearly articulate purpose (goals) and mission of NET, and publish.
- Define and gain agreement on expectations, both internal (city) and external expectations (neighborhoods), and communicate those expectations.
- Establish outcome measures that evaluate impact, rather than activities. For example, aggressive enforcement has increased the number of open cases in the Bureau of NET; is it linked to the increase in vacant structures as a result of increased fines? Map long-term problem cases: how many are open for over 12 months? Over two years? Over five years? What types of cases are priorities for NET? Evaluate and re-assess prioritization (i.e., are we

pursuing entrenched, chronic problem landlords, or targeting elderly homeowners who are struggling to maintain homes? Percentage owner-occupied vs. rental properties with open cases should be checked.)

- Link these outcome measures and data to the Rochester by the Numbers to identify other city or private resources that may be needed in specific neighborhoods.
- Consider restoring or establishing the advocacy or support element; NET currently operates with inspection/enforcement through the Neighborhood Conservation Officers, and with RPD Lieutenants & CPOs assigned. Administrative staff should serve to assist neighbors in accessing city staff, facilitating interactions with departments.
- Retain elements that are working effectively, but refine and improve those as indicated in the evaluation. RPD at NET is the most visible neighborhood based police service at this time and should be retained in some form to support PAC-TAC and neighborhood crime prevention activities.
- Use current technology, including handheld PDAs, handheld PCs or laptop computers to reduce clerical requirements and reliance on paper documents. Where possible, use e-mail or network to assign work and work orders for city departments. Track all work-orders to time completion of tasks (i.e., board-ups of vacant properties, cleaning of debris, removal of graffiti).

First year:

- With an agreement between NET staff and neighborhood leaders, identify accountability measures for both groups (this is shared responsibility – NET can not solve all problems, and residents also need to be full participants).
- At the end of the first year, issue report card to community on progress toward redesign of NET to expand advocacy; indicators can include results in “case management” style of assistance, as well as track resources linked to neighborhood issues. Outcomes to be measured will vary by neighborhood served.
- Train NET staff to improve working relationship with property owners, tenants, neighborhood groups and businesses. Interaction should be friendly and neither adversarial nor obstinate.
- Separate NET Inspections from Enforcement (ticketing). Enforcement serves as a quality check on inspections, and serves a valuable purpose in limiting retaliatory or subjective enforcement actions.
- Re-evaluate effectiveness of the current ticketing/enforcement policies. There is a point of diminishing returns – after the fines reach a certain point, there is no incentive for the owner to comply. Evaluate possible link between fines, tickets and abandonment. If link is found, establish early interventions to resolve problems if possible (work plans, referrals for financial assistance, tax payment strategies).

Four years:

- Review effectiveness of Net Offices utilizing the following criteria: vacancies, community input, decrease in tickets issued, general quality of life in the neighborhood.

Problem Statement B4

In some City neighborhoods there has been a proliferation of vacant and abandoned properties that are neither demolished nor refurbished. The future of weak market cities such as Rochester will depend on how well we maintain the stability and enhance the appeal of our neighborhoods. Existing and potential Rochester residents must have access to financial education, counseling and homeownership initiatives.

First 100 Days

- Re-examine the process that deals with abandoned properties. Streamline the demolition process and expedite environmental testing on abandoned properties. Corporation Counsel should take a look at existing regulations. Develop a plan to either demolish or develop vacant structures deemed unfeasible or feasible, respectively. Enforce new NYS law holding landlords liable for demolition costs for their property when abandoned.
- Create a system to map all vacant structures, including indication of ownership, length of vacancy, land use (zoning) and recommended disposition (sell, demolish, land bank).
- Finalize the financing structure related to the renewal of the Rochester Asset Control Area Program/HOME Rochester with HUD and local lenders. The HOME Rochester program has successfully led to the rehab of over 225 housing units over the past 3 years of which nearly 200 have been sold to low-income households.
- Investigate the creation and cost of a City Land Bank as a vehicle to dispose of vacant properties. (*See attachment about the Columbus, Ohio experience*).
- Meet with providers of financial education to ensure a consistent, high quality standard curriculum.
- Continue and expand support for foreclosure prevention and financial literacy for new and existing homeowners. Ensure collaboration and coordination with existing service providers and housing groups. Ensure that resources and information to help existing homeowners stay in their homes are available and communicated. Research other cities that have reversed foreclosure trends such as Hartford, CT and Baltimore methodology to inform community about foreclosure programs.
- Consider outsourcing existing down payment program operated by the DCD to an agency responsible for assisting homebuyers and marketing homeownership in the City.

First year:

- Work with NET staff and community groups to develop a list of the 100 worst properties, based on code violations, property conditions, and criminal activity; utilize NET staff to target those properties in the first year, either for demolition, code enforcement or acquisition

Four Years:

- Acquire vacant parcels identified by neighbors as key to revitalization, based on the Urban Village/community plans; Assemble those parcels and develop a land bank; host neighborhood charrettes to brainstorm ideas for assembled sites. Empower Planning Councils and CDCS to issue request for proposals to redevelop the sites based on the charrette and on the appropriate urban village/community plan.

Problem Statement B5

Stable neighborhoods require engaged citizens, with leaders identified, nurtured and trained, with the ability to assist in developing, implementing and monitoring neighborhood plans. A City initiative, Neighbors Building Neighborhoods (NBN) is intended to do this, but concerns emerged: NBN is unevenly administered in the 10 sectors, with little or no staff support. NBN must become what was envisioned and anticipated - true neighborhood planning and authentic inclusion of neighborhood residents and stakeholders, with City staff as facilitators. The current process does not allow for amending or updating plans, and no outcomes are identified in existing plans. NBN has not been evaluated in over ten years since implementation. No measurement or accountability identified.

(The Urban Village recommendations on pages 5-7 contain specific alternative recommendations for neighborhood planning and engagement.)

First 100 days:

- Evaluate NBN, using an outside, objective evaluator. Incorporate past focus group information if possible, but evaluate. Evaluation was scheduled to begin January 2004; it has not yet started.
- Based on evaluation results, consider drastic restructure of NBN, possibly returning to a neighborhood planning or development office, supporting formal resident-planning initiatives as well as linking city initiatives to neighborhood representatives.
- NBN restructuring should take into consideration the commonality between various neighborhoods (emerging with other emerging, established with other established).
- If NBN is continued as originally envisioned: convene stakeholders in all sectors/neighborhoods, with city staff or other trained facilitators. Return to original process of neighborhood participation with clearly defined basic expectations for organizational structure, requirements for majority neighborhood participation and control.
- Review the latest draft version of the “NBN Institute” for training volunteer leaders. Compare with existing leadership training programs available, and consider partnering with programs already functioning.

Long term:

- *Impact Rochester* states: ‘Given our limited resources, we must focus and prioritize NBN efforts to make sure we are funding initiatives that have the greatest “bang for the buck.”’ Critical mass projects may be needed in some areas. Different strategies will be needed in different types of neighborhoods.
- Develop neighborhood plans using new or reorganized neighborhood planning process, with outcomes included to be linked to Rochester by the numbers.

C. Lead Poisoning Prevention

Problem Statement C1

Lead poisoning is a significant problem for children in Rochester. In some schools over 40% of children who enter kindergarten have had harmful blood lead levels. About 900 new children in Rochester are poisoned each year. Children with elevated blood levels have been shown to lose significant cognitive function (IQ); have significant difficulty learning to read; have poor attention and impulse control; and suffer numerous life-long health problems. Most lead poisoning occurs in deteriorated housing and from remodeling projects that do not adhere to lead-safe work practices. The children poisoned are likely to receive high cost special education services; are 8 times less likely to graduate from high school; and are between 25% and 38% more likely to engage in juvenile crime than demographically matched peers.

A) New Ordinance

An ordinance was passed by the City Council (December 20, 2005) that has many important provisions to protect children from lead poisoning.

The ordinance that was adopted included:

- **Requiring the inspector to take dust wipe samples if the paint in the unit passes visual assessment in high-risk neighborhoods** (in geographic areas where over 90% of children tested show elevated lead levels).
- **Requirement that property owners maintain units free of lead hazards.** This will prevent the situation where a parent or physician has proof from an EPA certified inspector that there are dangerous conditions in the home, like high levels of lead dust or intact painted friction surfaces that are causing ongoing dust contamination, but the city cannot cite a violation under the ordinance.

An amendment was offered to require that 2 years after completion of repairs and submission of a clearance report proving those repairs have been safely made the owner must submit a second clearance report to show that the repairs have remained effective. **THIS AMENDMENT DID NOT PASS.**

The ordinance, as amended, has substantially greater ability to protect children from lead hazards. It also offers the administration additional flexibility to implement the legislation effectively.

First 100 Days:

- Mayor Duffy should meet with County Executive Maggie Brooks together with other appropriate City and County officials and educational, business, and community leaders, to develop a plan and jointly advocate for additional funding from the state and federal governments, as well as from private philanthropy, to implement lead reduction strategies. Rochester has the potential to be a national model for lead poisoning reduction, and action at all levels of government is needed to assure success.

- A portion of this advocacy should be for funding and development of policies that reduce the financial burden the legislation will place on small property owners, such as people with owner-occupied duplexes or who own one or two income properties.

First Year:

- We recommend that the Administration designate a staff person at City Hall to provide “customer service” to landlords and tenants alike around the lead legislation. This resource person will facilitate access to the inspection process, provide information about financial resources available for lead abatement, and link both landlords and families with appropriate community resources.
- We recommend the establishment of a “Lead-Safe Registry” of properties that are certified to be lead safe. After a property is entered into the registry, the landlord can use this fact as a marketing tool.
- The City and County should jointly embark on a public education campaign about lead issues. This campaign should include education for tenants on keeping their homes lead safe, as well as materials about lead-safe work practices for individual homeowners as well as landlords.
- Educational campaigns should be expanded to include other “healthy home” issues, such as asthma prevention.

Resources (in alphabetical order)

Baltimore Neighborhood Indicators Alliance Website- <http://www.bn timer.org/indicators/index.html>)
Existing Market Study Information; and other sites for reference to neighborhood resources.

Best Practices Profile: Neighborhoods in Bloom, Richmond VA
http://www.lisc.org/resources/assets/asset_upload_file40_539.pdf

Building A Better Urban Future: New Directions for Housing Policies in Weak Market Cities, Allan Mallach, Joint Publication of CDPN, Enterprise, LISC and National Housing Initiative

Fact Sheet on Neighborhood Housing Trust Fund, Greater Rochester Housing Partnership

Financing Resources for Downtown Housing Development-Rochester Downtown Dev Corp.

Land Bank Authorities; A guide for the Creation and Operation of Local Land Banks, Frank Alexander, FNMA Foundation and LISC

Neighborhoods and Health Research Summary

Rental Housing Policy Roundtable Notes, 2/10/05

Resource Mapping: Charting a Course to Successful Housing in Portland, OR – January 2004

RHA notes re: Neighborhood Revitalization Initiatives, 12/15/05

Schools, Community and Development-Erasing the Boundaries, Tony Proscio, Enterprise
Survey of Downtown Rental Housing-Rochester Downtown Dev Corp

Urban Village Workgroup Report